

INITIAL CATERING SERVICES' POLICY STATEMENT ON THE USE OF ITS DISCRETIONARY POWERS

LOCAL GOVERNMENT PENSION SCHEME REGULATION 106 - EMPLOYER'S POLICY STATEMENTS

Initial Catering Services, in formulating the policy statements outlined below, has considered the policy adopted in the context of.

- the general principles put forward by the then Department for Transport, Local Government and the Regions (DTLR) now the Communities and Local Government (CLG) that the discretionary powers must:
 - be exercised reasonably;
 - not be used for ulterior motive;
 - be used with regard to all relevant factors (cost should be balanced against benefit for the Employer);
 - only be used where there is a real and substantial future benefit to the Employer in return for incurring extra costs; and
 - be duly recorded when used
- the views of the Avon Pension Fund's Actuary
- the advice of the Local Government Pensions Committee of the Employers' Organisation
- where applicable the comments made by the Audit Commission in their report on early retirement in local government
- the comments of trade unions recognised by Initial Catering Services

Initial Catering Services, will, as it sees fit, review the content of its discretionary policy under the Local Government Pension Scheme (Administration) Regulations 2008 to meet its requirements as an employer participating in the Avon Pension Fund.

Shared Cost Additional Voluntary Contributions (SCAVCs) Regulation 25

Initial Catering Services does not consider contribution towards a shared cost additional voluntary contribution scheme to be an essential part of its strategy for the recruitment and retention of employees. Applications for the purchase of shared cost additional voluntary contributions, and consideration of any amount so payable, will only be considered in exceptional circumstances having particular regard to Initial Catering Services' general policy, from time to time, on the employee remuneration package, whether the contribution to a shared cost additional voluntary contribution is in Initial Catering Services' interest and following consultation with the Avon Pension Fund's Actuary.

Early Payment of Benefits Regulation 30

Initial Catering Services will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the operating requirements of the employing department
- Initial Catering Services' ability to meet the cost of granting such a request

- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances

Applications for the payment of unreduced benefits on the grounds of compassion will be granted if:

- in Initial Catering Service's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and
- Initial Catering Services can meet the cost of granting such a request.

Flexible Retirement Regulation 18

Initial Catering Services will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the operating requirements of the employing department
- Initial Catering Service's ability to meet the cost of granting such a request
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances

Applications for the payment of unreduced benefits in these circumstances will be granted if:

- in Initial Catering Service's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and
- Initial Catering Services can meet the cost of granting such a request.

Augmentation of Scheme Membership for an active member Regulation 12

Initial Catering Service's will only consider the augmentation of service having regard to the following

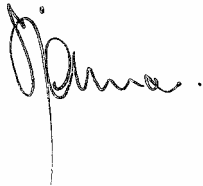
- the member's personal circumstances
- the interests of Initial Catering Services
- the additional contributions due to the Fund by Initial Catering Services in respect of the exercise of this discretion
- any potential benefits or savings to Initial Catering Services arising from the exercise of this discretion
- other options that are, from time to time, available under Initial Catering Service's severance arrangements
- the funding position of Initial Catering Services within the Avon Pension Fund
- the ability of Initial Catering Services to meet the cost of granting such an award.

Initial Catering Services does not consider the use of this discretion in relation to new hires as an integral part of its recruitment policy. The discretion will only be exercised for recruitment purposes in exceptional circumstances having regard to all the facts in each case though particularly where other elements available within the employee benefits package have not proved successful.

**Award additional pension
Regulation 13**

Initial Catering Services will only consider the award of additional pension having regard to the following:

- the member's personal circumstances
- the interests of Initial Catering Services
- the additional contributions due to the Fund in respect of the exercise of this discretion
- any potential benefits or savings to the employer arising from the exercise of this discretion
- other options that are, from time to time, available under the employer's severance arrangements
- the funding position of the employer within the Avon Pension Fund
- the ability of the employer to meet the cost of granting such an award



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